

Message Text

CONFIDENTIAL

PAGE 01 MTN GE 07813 060916Z

21

ACTION STR-04

INFO OCT-01 AF-08 ARA-06 EA-07 EUR-12 NEA-10 IO-13 ISO-00

STRE-00 FEA-01 AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00

EB-07 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04 NSAE-00

NSC-05 PA-01 AID-05 CIEP-01 SS-15 ITC-01 TRSE-00

PRS-01 SP-02 OMB-01 XMB-02 NSCE-00 SSO-00 USIE-00

INRE-00 /128 W

----- 080373

O R 060818Z OCT 76

FM USDEL MTN GENEVA

TO SECSTATE WASHDC IMMEDIATE 1938

INFO USMISSION EC BRUSSELS

AMEMBASSY BRASILIA

AMEMBASSY OTTAWA

AMEMBASSY TOKYO

C O N F I D E N T I A L MTN GENEVA 7813

ACTION STR

PASS AMBASSADOR YEUTTER, WOLFF, GREENWALD

E.O. 11652: GDS

TAGS: ETRD, MTN

SUBJ: FRAMEWORK IMPROVEMENT GROUP, SUPPLY ACCESS:
INTERIM REPORT

REF: STATE 244865

1. SUMMARY: INITIAL SEPARATE CONSULTATIONS WITH CANADA
AND BRAZIL, PER REFTTEL, CONFIRM THEIR WILLINGNESS TO HAVE
PRIOR UNDERSTANDING ON LIST OF ISSUES FOR A FRAMEWORK
GROUP. THEY INDICATE SOME FLEXIBILITY ON APPROPRIATE
LANGUAGE FORMULATIONS TO ACCOMMODATE CONCERNS OVER SUPPLY
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MTN GE 07813 060916Z

ACCESS, GRADUATION, AND OTHER TOPICS. IN ANOTHER

CONTEXT, LOCAL EC REP VOLUNTEERED THAT WHILE COMMUNITY MAY NOW GO ALONG WITH SUPPLY ACCESS, EC POSITION HAS HARDENED AGAINST INCLUSION OF ARTICLE XII AND DISPUTE SETTLEMENT ON FRAMEWORK GROUP WORK PROGRAM. END SUMMARY.

2. DISCUSSIONS WITH AMBASSADOR GREY OCTOBER 4 AFFIRMED CONTINUED CANADIAN INSISTENCE THAT A "GENERAL DISCUSSION" OF SUPPLY WOULD BE PREMATURE UNTIL EXAMINATION OF SPECIFIC PROBLEMS HAD BEEN CARRIED OUT IN PRODUCT-SPECIFIC DISCUSSIONS (SECTORS AND AGRICULTURE). NEVERTHELESS, CANADA WILLING TO EXPLORE POSSIBILITY OF FLEXIBLE LANGUAGE WHICH PERMITS SUPPLY ACCESS TO BE RECORDED AS A TOPIC FOR DISCUSSION BY FRAMEWORK IMPROVEMENT GROUP SUBJECT TO SOME QUALIFICATION REFLECTING CANADIAN OBJECTIVE NOTED ABOVE.

3. GREY CONCEDED THAT PRODUCT-SPECIFIC DISCUSSIONS COULD NOT HANDLE GENERAL CONCERNS ABOUT ADEQUACY OF GATT RULES NOR WAS THERE PROSPECT FOR PRODUCT-SPECIFIC NEGOTIATIONS ON EVERY ITEM OF INTEREST TO CANADA. INFERENCE WAS CANADA MIGHT SEE SOME MERIT IN GENERAL DISCUSSION. GREY WENT TO GREAT LENGTHS, HOWEVER, TO EXPLAIN CANADIAN WARINESS OF THIS ISSUE, LARGELY BECAUSE OF EC AND JAPAN WHO IN HIS VIEW APPROACH WHOLE SUBJECT WITH "IMPERIALISTIC ATTITUDE" REGARDING THEIR RIGHTS TO CANADIAN RESOURCES. HE CITED EXAMPLE OF EC REQUEST FOR NATIONAL TREATMENT ON RESOURCE ACCESS DURING RECENTLY NEGOTIATED CANADA-EC COOPERATION AGREEMENT.

4. WE MET WITH AMBASSADOR MACIEL OCTOBER 5, INDICATING OUR READINESS TO EXPLORE POSSIBLE LANGUAGE ON TOPICS TO ACCOMMODATE POSITIONS OF BOTH DELEGATIONS. MACIEL CONFIRMED HE SAW NO "INSURMOUNTABLE PROBLEMS" TO WORKING OUT ACCEPTABLE LANGUAGE, BUT HE WAS UNCOMFORTABLE ABOUT TOPICS OF GRADUATION AND SUPPLY ACCESS. ON LATTER, HE EXPRESSED RELIEF AND APPRECIATION AT EXPLANATION (IN RESPONSE TO HIS QUESTION) THAT WE WOULD BE PUSHING NEITHER ABSOLUTE PROHIBITION OF EXPORT RESTRICTIONS
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MTN GE 07813 060916Z

NOR ABSOLUTE OBLIGATION FOR SUPPLY GUARANTEES IN A FRAMEWORK GROUP DISCUSSION BUT RATHER WERE SEEKING PROCEDURES AND STANDARDS OF FAIRNESS COMPARABLE TO WHAT ALREADY EXISTED ON THE IMPORT SIDE. ON GRADUATION, WHICH MACIEL REAFFIRMED WAS "MOST DELICATE" ITEM BECAUSE OF POLITICAL/PSYCHOLOGICAL CONSIDERATIONS, HE HOPED WE COULD FIND SOME SOFTER, LESS PRESUMPTIVE WORDING THAN WHAT HAD BEEN DISCUSSED ILLUSTRATIVELY IN

THE PAST.

5. MACIEL AGREED TO EXERCISE HIS INFLUENCE IN HELPING TO KEEP LOCAL DISCUSSIONS OF TERMS OF REFERENCE AND LIST OF TOPICS UNDER CONTROL, RECOGNIZING THAT U.S. WAS MAKING A CONSTRUCTIVE EFFORT TO AVOID EVOLUTION OF FRAMEWORK GROUP INTO NON-PRODUCTIVE UNDERTAKING THAT WOULD BE ALBATROSS FOR BOTH BRAZIL AND U.S.

6. IN CONTEXT OF SEPARATE MEETING ON ANOTHER TOPIC, EC REP LUYTEN INDICATED THAT WHILE EC NOT YET FINALLY DECIDED, IT COULD PERHAPS TOLERATE ADDITION OF SUPPLY ACCESS TO WORK PROGRAM, MAYBE PLAYING "SECOND FIDDLE" TO A U.S. LEAD. HE INDICATED, HOWEVER, THAT EC VIEW WAS HARDENING AGAINST INCLUSION OF DISPUTE SETTLEMENT AND ARTICLE XII AS IT APPLIES AMONG DEVELOPED COUNTRIES. HE NOTED IN CONNECTION WITH DISPUTE SETTLEMENT EC WILLINGNESS TO HAVE SUBJECT DISCUSSED IN CONSULTATIVE GROUP OF 18 AS WELL AS NUMEROUS MTN WORKING GROUPS.

7. COMMENT: WE WILL BE HAVING FURTHER DISCUSSIONS WITH CANADIANS AND BRAZILIANS THIS WEEK ON LANGUAGE POSSIBILITIES WITHIN PARAMETERS OF REFTEL. EC COMMENTS HOWEVER SUGGEST SOME SHIFT OF EMPHASIS MIGHT BE APPROPRIATE FOR DISCUSSION IN BRUSSELS, IF IT REMAINS IMPORTANT TO U.S. TO KEEP DISPUTE SETTLEMENT AND BOP IN THE REFORM GROUP' WORK PROGRAM.WALKER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMMUNITY RELATIONS, POLICIES, NEGOTIATIONS, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 06 OCT 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MTNGE07813
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760376-0920
From: MTN GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761077/aaaacord.tel
Line Count: 143
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION STR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 STATE 244865
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 02 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 APR 2004 by ElyME>; APPROVED <05 APR 2004 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FRAMEWORK IMPROVEMENT GROUP, SUPPLY ACCESS: INTERIM REPORT
TAGS: ETRD, US, MTN, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006